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Adm. Service

CENTRAL INTELLIGENCE AGENCY
Washington 25, D. C.

15 December 1948

The Honorable
The Director of the
Bureau of the Budget
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Webb:

In accordance with the letter of the President, dated 6 November 1948, regarding proposed agency legislative programs for the coming session, and my reply to you of 29 November 1948, I am forwarding herewith the text of proposed legislation for the Central Intelligence Agency.

This proposed bill is substantially the same as S. 2688 (Report No. 1302) which was passed by the Senate on 19 June 1948. A similar bill, H.R. 5871 (Report No. 1853), was unanimously approved by the Armed Services Committee of the House of Representatives, but was not passed when lack of time in the closing hours of the session prevented its being called up. Bureau of the Budget approval of last year's draft was contained in a letter to me from Mr. Elmer B. Staats, Assistant Director of the Bureau of the Budget, dated 6 April 1948. The full concurrence of the Comptroller General was contained in his letter to you dated 12 March 1948.

Reexamination of the provisions of S. 2688 indicates that while it was satisfactory, experiences over the past few months have indicated that certain additions to that bill would be most helpful to this Agency. We have, therefore, included them in the accompanying draft bill. I am also enclosing a detailed analysis of the new provisions, so that you may readily see the additions to S. 2688.

Sincerely yours,

/s/ R. H. Hillenkoetter

R. H. HILLENKOETTER
Rear Admiral, USN
Director of Central Intelligence

Encl: 2

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EXPLANATION OF PROPOSED CIA LEGISLATION

(Asterisks are placed before new sections which did not appear in bills submitted to 80th Congress).

Section 1 comprises definitions of certain terms used in the Act.

Section 2 provides for a seal of office. Intelligence records contain information that is sometimes required for official use either in other Departments or as evidence in legal proceedings. Unless proper authentication of copies can be made, original documents would have to be produced.

Section 3(a) provides for the extension to CIA of certain provisions of the Armed Services Procurement Act of 1947 (Public Law 413, 80th Congress). The following provisions of Section 2(c) of the Armed Services Procurement Act are requested which provide for negotiation on purchases and contracts for supplies without advertising if:

There is a national emergency, (Sec. 2(c)(1));

The public exigency will not admit a delay,
(Sec. 2(c)(2));

The aggregate amount does not exceed \$1,000.00,
(Sec. 2(c)(3));

For personal or professional services, (Sec. 2(c)(4));

For service to be rendered by universities,
colleges or other educational institutions,
(Sec. 2(c)(5));

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Supplies or services are to be procured and used outside the United States, (Sec. 2(c)(6));

For supplies or services for which it is impracticable to secure competition, (Sec. 2(c)(10));

For supplies or services the nature of which should not be publicly disclosed, (Sec. 2(c)(12));

For supplies when the bid prices after advertising are not reasonable or have not been independently arrived at, (Sec. 2(c)(15)); and

For such procurement otherwise authorized by law, (Sec. 2(c)(17)).

The remaining sections of Public Law 413, which it is requested be extended to CIA, set forth the rules for advertising, the type of contracts that can be made, provide for advance payments under certain circumstances, liquidating damages, and joint procurement.

Section 3(b) defines "Agency head" as the Director, Deputy Director, or Executive of the CIA in the same manner as it is defined in Section 9 of Public Law 413 where "agency head" is construed to mean the Secretary, Under Secretary, or any Assistant Secretary of the Armed Services.

Section 3(c) provides for the delegation of procurement authorities by the Agency head to other responsible officials of the Agency, in a manner similar to the provisions of Section 10 of Public Law 413.

Section 3(d) provides that certain procurement authorities contained in Public Law 413 shall be exercised only by

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the Agency head and shall not be delegable.

It should be noted that authority is sought only for those procurement authorities in Public Law 413 which are essential to the supplying of the peculiar needs of an intelligence service. Not all of the authorities of Public Law 413 have been requested. Of those requested special emphasis should be laid on the provision which raises the normal exemption from advertising provisions from \$100.00 to \$1,000.00. The lower limitation has caused the major procurement problems for CIA in the past. A variety of minor items not available through normal procurement channels is required for support of CIA activities. The bulk of this type of procurement falls below \$1,000.00 in the aggregate, but in large part exceeds \$100.00.

Of great importance to CIA is the exception from advertising for supplies or services which should not be publicly disclosed. Certain items are secret in nature or in the use to which put, and consequently advertising should not be used in their procurement. Furthermore, in contrast to normal Government procurement, some CIA equipment should not be standardized but should be diversified in order to insure the security of individuals and establishments of the Agency.

Section 4 permits the Director to provide for special instruction or training for Agency personnel. It further

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provides for the payment of tuition and expenses for Agency personnel on such assignments. This language is substantially that of Sections 573(b) and 705 of the Foreign Service Act of 1946.

Section 5 provides for travel, allowances and related expenses for Agency personnel assigned to permanent duty stations outside the United States. As it is considered desirable that employment in CIA be regarded as a career service, it is felt that the Agency has a problem similar to that faced by the Foreign Service in the assignment of personnel to duty abroad. Section 5, therefore, provides authorities, similar to those granted in the Foreign Service Act of 1946, which are believed necessary to the development of an intelligence career staff. The language of Section 5 is taken verbatim from the appropriate sections of the Foreign Service Act of 1946, and these sections are designated in parentheses in this explanation.

Section 5(A)(1)(a) provides for the payment of travel expenses for employees, including travel to and from the United States on statutory leave, which expense otherwise must be borne by the employee. (Section 911(1), Foreign Service Act).

Section 5(A)(1)(b) provides for travel expenses of the employee's family accompanying him on authorized travel for statutory home leave. (Section 911(2), Foreign Service Act).

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Section 5(A)(1)(c) provides for payment of transporting an employee's household belongings from post to post and to his home on termination. (Section 911(3), Foreign Service Act).

Section 5(A)(1)(d) is a recognition of the practical situation occurring in times of emergency which forces the employee to be absent from his official station or to store his belongings elsewhere, through no fault of his own, resulting solely from the performance of his assigned duties. (Section 911(4), Foreign Service Act).

Section 5(A)(1)(e) recognizes the difficulty in obtaining quarters immediately upon arrival at a foreign station, by providing for storage of belongings up to three months. (Section 911(5), Foreign Service Act).

Section 5(A)(1)(f) recognizes the financial burden which an employee may suffer if it becomes necessary to move his family and household effects temporarily away from his post due to dangerous conditions. (Section 911(7), Foreign Service Act).

**** Section 5(A)(2).** This new section has been added. The old Section 5(A)(2) has been renumbered 5(A)(3) and the remaining sub-sections of Section 5(A) have been renumbered accordingly. This new section is included in order to provide a means for obligating funds applicable to the fiscal year when authorizations are issued and arrangements made for the

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transfer of employees, their dependents and household effects. Thus, current funds are properly set aside, and the need for using funds applicable to subsequent fiscal years, for which budgetary provisions cannot or have not been made, is avoided.

Section 5(A)(3) authorizes the granting of statutory leave in the United States after two years' foreign service. It allows the employee, while in this country on leave, to be assigned to temporary duty in the United States for special purposes or reorientation prior to returning to foreign service. (Sections 931(b) and 933(b), Foreign Service Act).

Section 5(A)(4) provides for payment of shipping expense for private automobiles. (Section 913, Foreign Service Act).

Section 5(A)(5) provides for the health of employees overseas by permitting the payment of travel expenses to the nearest adequate facilities when local medical facilities are inadequate, for the establishment of a first aid station and a nurse at a post where the number of personnel warrants such a station, payment for cost of treatment of illness or injury incurred in line of duty overseas, and for physical examinations and payment of the cost of administering inoculations or vaccinations. (Sections 941, 942(a) and (b) and 943, Foreign Service Act).

** Section 5(A)(6). This new section is added to provide for the cost of preparing and transporting to their former

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homes in the United States the remains of an officer or employee and of the members of his family who may die abroad, and for the ordinary costs of interment. While similar provisions were formerly included in Section 7 of S. 2688, it was thought preferable to redraft the section and include it at this point. (Section 911(8), Foreign Service Act).

** Section 5(A)(7). This new section is added to pay the cost of travel of new appointees and their dependents from their place of actual residence abroad to their place of employment by the Agency, and safeguards are added to provide for reimbursement to the United States if the employee does not remain with the Government for a minimum period of 12 months. This provision is included to permit the Agency to recruit foreign nationals abroad where American personnel is not available (particularly in the field of translation), and only experienced foreign national language experts are qualified to perform the required duties. It is impossible to recruit this type of personnel from countries outside the immediate area of operation without providing for payment of travel and transportation expenses as a part of the consideration of employment. Experience to date has strongly evidenced the need for this authority.

Section 5(B) provides for allowances similar to those given to Foreign Service officers and employees, including

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living quarters allowance, cost-of-living allowances, extraordinary expenses and others. These allowances are controlled by regulations prescribed by the President. Exception is sought from 5 U.S.C. 70, which prohibits allowances of this type unless authorized by law. (Sections 901(1) and 901(2), Foreign Service Act).

Section 6(c) provides for the annual financing of CIA operations without impairing security.

Section 6(b) excepts the Agency from the provisions of law which prohibit exchange of funds by any disbursing officer other than exchange of gold, silver, U. S. Notes and National Bank Notes.

Section 6(c) provides for the assignment of personnel of other Government agencies to CIA and the reimbursement of those agencies for such services.

Section 6(d) authorizes official CIA couriers to carry firearms when engaged in the transportation of documents and materials which vitally affect the national defense and security.

Section 6(e) seeks exemption from limitations which permit no more than 25% of the first year's rental for leased property to be spent on permanent improvements and a further limitation of 15% of the fair market value as the rental which may be paid. These exemptions are sought to enable the Agency to expend

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required funds for security and special installations of leased premises, with a particular eye to the fact that these premises must on occasion be selected for certain technical uses which would make it impossible to consider several alternate sites or utilize general facilities for which there is competition. These limitations have in the past so hampered CIA on improvements to leased facilities as to qualify the security of some installations.

Section 6(f) seeks exemption from 5 U.S.C. 654 which requires the annual publication of a book entitled the "Official Register of the United States". This book contains full lists of all persons occupying administrative and supervisory positions in the Government, including their official title and station, their legal residence and annual compensation. The publication of this information would represent a serious breach of the security of the Agency.

The proviso of Section 6(f) seeks exemption from the provision which requires the Director of the Bureau of the Budget to report the Agency's personnel ceilings quarterly to the Congress. While this section in no way alters the requirement that the Director of the Bureau of the Budget fix the Agency's quarterly personnel ceilings, it does prevent their publication. It has long been felt that knowledge of Agency personnel figures would enable the intelligence agencies of foreign powers successfully to estimate the size and scope of CIA operations.

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**** Section 6(g).** This new section is added which provides that whenever the Director and the Attorney General determine that the entry of an alien into the United States is essential to the furtherance of the national intelligence mission, non-quota immigration visas shall be issued to such alien and his immediate family without regard to his admissibility under the immigration laws. The number of such visas shall not exceed one hundred in any one calendar year. This is the only effective means by which entry for permanent residence can be secured in many cases essential to the proper performance of the intelligence mission of the Agency. The concurrence of the Attorney General is necessary, due to the role which must be played by the Immigration and Naturalization Service.

A provision similar to this was proposed last year, but was not concurred in by the Department of State, as set forth in the Under-Secretary, Mr. Lovett's, letter to the Director of the Bureau of the Budget, dated 11 March 1948. This section has now been the subject of discussions between the Director and Mr. Lovett, and the Department of State has informally concurred in the present draft of this section.

A letter to the Director of the Bureau of the Budget, dated 17 March 1948, from Mr. Peyton Ford, The Assistant to the Attorney General, also proposed a change in the section as submitted last year which would provide for the inclusion of

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the Attorney General in the determination. This suggestion has been readily accepted by us and is included in the present draft.

** Section 6(h). This new section has been added providing for the establishment of three positions in the professional and scientific service, without regard to the provisions of the Classification Act of 1923, as amended. It also provides for payment for these three positions at not less than \$10,330 and not more than \$15,000 per annum. These three positions are established for the employment of three outstanding men in the scientific field for the coordination and evaluation of foreign scientific intelligence. It has proven impossible to secure high calibre scientific personnel at current Government pay standards. This legislation is similar to that passed by the 80th Congress for similar positions in the National Military Establishment.

Section 7(a) establishes a point of reference to which the administrative and fiscal officers of CIA and other appropriate officers of the Government may look to determine what expenditures are authorized in the course of supporting the activities of the Agency.

** Section 7(a)(1) of S. 2688 has been amended by deleting from Section 7 the language commencing "preparation and transportation" through "such interment;". This language concerned

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the return of remains of deceased Agency personnel who died abroad, and has been provided for by the new Section 5(A)(6), above.

** Section 7(a)(1) is amended to read, "and cleaning of firearms, including purchase, storage, and maintenance of ammunition;". S. 2688 provided for the purchase and maintenance of firearms, but omitted providing for the purchase, maintenance and storage of ammunition in connection with such firearms.

** Section 7(a)(1) is amended by an addition providing at field locations, and particularly at overseas installations, for Government transportation of CIA personnel from their homes to their place of work, where local housing and transportation conditions make it impracticable for the employees to be transported in any other manner. Public transportation is not adequate in many instances, and in some cases is completely unavailable. For similar reasons, it is necessary, particularly in overseas locations, to provide transportation for the children of employees for attendance at schools in order that their educational program not be retarded, and that the children not be subjected to hazardous circumstances and conditions.

** Section 7(a)(1) is amended to include a provision for the payment of premiums or costs of surety bonds for officers or employees without regard to the provisions of 6 U.S.C. 14, which provide that the United States shall not pay any part of

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such fees required by law or otherwise of any officer or employee of the United States. Due to the nature of the activities of this Agency, and the type of funds involved, it is necessary to designate a certain number of agent cashiers. These agent cashiers and others who are directly concerned with the handling of CIA funds of a confidential nature must be bonded in accordance with normal government procedures. In some cases the yearly premiums for the officers concerned amount to almost \$300 a piece, and it is not considered either fair or equitable for the officers concerned to bear this burden. Since these and similar yearly bonds are executed for the protection and benefit of the Government, it would appear equitable that the Government should bear their expense.

** Section 7(a)(1) is amended to include a provision for the acquisition of land, and construction of buildings and facilities, without regard to 40 U.S.C. 259, 267. As the law requires specific appropriations for the acquisition of land, and as there is no annual appropriation language for the Agency, it is thought necessary to include this provision in the present language to cover future contingencies which might arise.

** Section 7(a)(1) is amended to provide for the replacements of passenger motor vehicles, the purchase of which was authorized in S. 2688, and also authorizes the purchase of one passenger

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motor vehicle at not to exceed \$3,000, as well as its replacement.

** Section 7(a)(2). This new section is added to provide for expenditures for supplies, equipment and personal and contractual services which may be authorized by any statute which sets forth the functions of or is applicable to this Agency. This will permit expenditure of appropriated funds for the functions set forth in Section 102 of the National Security Act of 1947, the administrative expenditure incurred under the provisions of this proposed legislation, and such statutes as are generally applicable to CIA.

Section 7(b) enables the spending of a portion of the money made available to the Agency for confidential purposes, to be accounted for solely by certification of the Director.

Section 8 provides for the separability of the provisions of this Act.

** Section 9 provides the short title for the Act. The date is amended to read "1949".

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A BILL

To provide for the administration of the Central Intelligence Agency, established pursuant to Section 102, National Security Act of 1947, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

DEFINITIONS

SECTION 1. That when used in this Act, the term

- (a) "Agency" means the Central Intelligence Agency;
- (b) "Director" means the Director of Central Intelligence;
- (c) "Government agency" means any executive department, commission, council, independent establishment, corporation wholly or partly owned by the United States which is an instrumentality of the United States, board, bureau, division, service, office, officer, authority, administration, or other establishment, in the executive branch of the government; and
- (d) "Continental United States" means the States and the District of Columbia.

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SEAL OF OFFICE

SECTION 2. The Director of Central Intelligence shall cause a seal of office to be made for the Central Intelligence Agency, of such design as the President shall approve, and judicial notice shall be taken thereof.

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PROCUREMENT AUTHORITIES

SECTION 3. (a) In the performance of its functions the Central Intelligence Agency is authorized to exercise the authorities contained in sections 2(c)(1), (2), (3), (4), (5), (6), (10), (12), (15), (17), and sections 3, 4, 5, 6 and 10 of the Armed Services Procurement Act of 1947, (Public Law 413, 80th Congress, 2nd Session).

(b) In the exercise of the authorities granted in sub-section (a) of this section, the term "Agency head" shall mean the Director, the Deputy Director, or the Executive of the Agency.

(c) The determinations and decisions provided in sub-section (a) of this section to be made by the Agency head may be made with respect to individual purchases and contracts or with respect to classes of purchases or contracts, and shall be final. Except as provided in sub-section (d) of this section, the Agency head is authorized to delegate his powers provided in this section, including the making of such determinations and decisions, in his discretion and subject to his direction, to any other officer or officers or officials of the Agency.

(d) The power of the Agency head to make the determinations or decisions specified in paragraphs (12) and (15) of section 2(c) and section 5(a) of the Armed

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Services Procurement Act of 1947 shall not be delegable. Each determination or decision required by paragraphs (12) and (15) of section 2(c), by section 4 or by section 5(a) of the Armed Services Procurement Act of 1947, shall be based upon written findings made by the official making such determinations, which findings shall be final and shall be available within the Agency for a period of at least six (6) years following the date of the determination.

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EDUCATION AND TRAINING

SECTION 4. (a) Any officer or employee of the Agency may be assigned or detailed for special instruction, research, or training, at or with domestic or foreign public or private institutions; trade, labor, agricultural, or scientific associations; courses or training programs under the National Military Establishment; or commercial firms.

(b) The Agency shall, under such regulations as the Director may prescribe, pay the tuition and other expenses of officers and employees of the Agency assigned or detailed in accordance with provisions of sub-section (a) of this section, in addition to the pay and allowances to which such officers and employees may be otherwise entitled.

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TRAVEL, ALLOWANCES, AND RELATED EXPENSES

SECTION 5(A). Under such regulations as the Director may prescribe, the Agency, with respect to its officers and employees assigned to permanent duty stations outside the continental United States, its territories and possessions, shall:

- (1)(a) Pay the travel expenses of officers and employees of the Agency including expenses incurred while traveling pursuant to orders issued by the Director in accordance with the provisions of section 5(A)(3) with regard to the granting of home leave;
- (b) Pay the travel expenses of the members of the family of an officer or employee of the Agency when proceeding to or returning from his post of duty; accompanying him on authorized home leave; or otherwise traveling in accordance with authority granted pursuant to the terms of this or any other Act;
- (c) Pay the cost of transporting the furniture and household and personal effects of an officer or employee of the Agency to his successive posts of duty and, on the termination of his services, to the place where he will reside;

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- (d) Pay the cost of storing the furniture and household and personal effects of an officer or employee of the Agency who is absent under orders from his usual post of duty, or who is assigned to a post to which, because of emergency conditions, he cannot take or at which he is unable to use, his furniture and household and personal effects;
- (e) Pay the cost of storing the furniture and household and personal effects of an officer or employee of the Agency on first arrival at a post for a period not in excess of three months after such first arrival at such post or until the establishment of residence quarters, whichever shall be shorter;
- (f) Pay the travel expenses and transportation costs incident to the removal of the members of the family of an officer or employee of the Agency and his furniture and household and personal effects, including automobiles, from a post at which, because of the prevalence of disturbed conditions, there is imminent danger to life and property, and the return of such persons, furniture, and effects to such post upon the cessation of such conditions; or to such other post as

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may in the meantime have become the post to which such officer or employee has been assigned.

(2) Charge expenses in connection with travel of personnel, their dependents and transportation of their household goods and personal effects, involving a change of permanent station, to the appropriation for the fiscal year current when any part of either the travel or transportation pertaining to the transfer begins pursuant to previously issued travel and transfer orders, notwithstanding the fact that such travel or transportation may not all be effected during such fiscal year, or the travel and transfer orders may have been issued during the prior fiscal year.

(3) Order to the continental United States on leave provided for in 5 U.S.C. 30, 30a, 30b, or as such sections may hereafter be amended, every officer and employee of the Agency who is a citizen of the United States, upon completion of two years' continuous service abroad, or as soon as possible thereafter: PROVIDED, That such officer or employee has accrued to his credit at the time of such order, annual leave sufficient to carry him in a pay status while in the United States for at least a 30-day period.

(a) While in the continental United States on leave, the service of any officer or employee shall be available for work or duties in the

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Agency or elsewhere, but the time of such work or duties shall not be counted as leave.

- (b) Where an officer or employee on leave returns to the continental United States, leave of absence granted shall be exclusive of the time actually and necessarily occupied in going to and from the continental United States, and such time as may be necessarily occupied in awaiting transportation.

(4) Notwithstanding the provisions of any other law, transport for or on behalf of an officer or employee of the Agency, a privately owned automobile in any case where the Agency head shall determine that water, rail, or air transportation of the automobile is necessary or expedient for any part or of all the distance between points of origin and destination.

- (5)(a) In the event of illness or injury requiring the hospitalization of an officer or employee of the Agency who is a citizen of the United States, not the result of vicious habits, intemperance, or misconduct on his part, incurred while on assignment abroad, in a locality where there does not exist a suitable hospital or clinic, pay the travel expenses of such officer or employee by whatever means he shall deem appropriate and without regard to the Standardized Government

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Travel Regulations and section 10 of the Act of March 3, 1933 (47 Stat. 1516; 5 U.S.C. 73b), to the nearest locality where a suitable hospital or clinic exists and on his recovery pay for the travel expenses of his return to his post of duty. If the officer or employee is too ill to travel unattended, the Director may also pay the travel expenses of an attendant;

- (b) Establish a first-aid station and provide for the services of a nurse at a post at which, in his opinion, sufficient personnel is employed to warrant such a station;
- (c) In the event of illness or injury requiring hospitalization of an officer or employee of the Agency who is a citizen of the United States, not the result of vicious habits, intemperance, or misconduct on his part, incurred in the line of duty while such person is assigned abroad, pay for the cost of the treatment of such illness or injury at a suitable hospital or clinic;
- (d) Provide for the periodic physical examination of officers and employees of the Agency and for the cost of administering inoculations or vaccinations to such officers or employees.

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(6) Pay the cost of preparing and transporting to their former homes in the continental United States or to a place not more distant, the remains of an officer or employee of the Agency who is a citizen of the United States and of the members of his family who may die abroad or while in travel status, and the ordinary costs of interment.

(7) Pay the costs of travel of new appointees and their dependents, and the transportation of their household goods and personal effects, from places of actual residence in foreign countries at time of appointment to places of employment and return to their actual residences at the time of appointment or a point not more distant; PROVIDED, That such appointees agree in writing to remain with the U. S. Government for a period of not less than 12 months from the time of appointment.

Violation of this agreement for personal convenience of an employee or because of separation for misconduct will bar such return payments and, if determined by the Director or his designee to be in the best interests of the United States, any money expended by the United States on account of such travel and transportation shall be considered as a debt due by the individual concerned to the United States.

(B) In accordance with such regulations as the President may prescribe and notwithstanding the provisions of section 1765 of the Revised Statutes (5 U.S.C. 70), the

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Director is authorized to grant to any officer or employee of the Agency who is a citizen of the United States allowances in accordance with the provisions of Section 901(1) and 901(2) of the Foreign Service Act of 1946.

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GENERAL AUTHORITIES

SECTION 6. In the performance of its functions, the Central Intelligence Agency is authorized to:

(a) Transfer to and receive from other government agencies such sums as may be approved by the Bureau of the Budget, for the performance of any of the functions or activities authorized under Sections 102 and 303 of the National Security Act of 1947 (Public Law 253, 80th Congress), and any other government agency is authorized to transfer to or receive from the Agency such sums without regard to any provisions of law limiting or prohibiting transfers between appropriations. Sums transferred to the Agency in accordance with this paragraph may be expended for the purposes and under the authority of this Act without regard to limitations of appropriations from which transferred;

(b) Exchange funds without regard to Section 3651 Revised Statutes (31 U.S.C. 545);

(c) Reimburse other government agencies for services of personnel assigned to the Agency, and such other government agencies are hereby authorized, without regard to provisions of law to the contrary, so to assign or detail any officer or employee for duty with the Agency;

(d) Authorize couriers designated by the Director to carry firearms when engaged in transportation of confidential documents and materials affecting the national defense and security;

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(e) Make alterations, improvements and repairs on premises rented by the Agency and pay rent therefor without regard to limitations on expenditures contained in the Act of June 30, 1932, as amended; Provided, That in each case the Director shall certify that exception from such limitations is necessary to the successful performance of the Agency's functions or to the security of its activities;

(f) In the interests of the security of the foreign intelligence activities of the United States and in order further to implement the proviso of Section 102(d)(3) of the National Security Act of 1947 (Public Law 253, 80th Congress, 1st Session) that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure, the Agency shall be exempted from the provisions of Sections 1 and 2, c. 795 of the Act of 28 August 1935, 49 Stat. 956, 957, 5 U.S.C. 654, and the provisions of any other law which require the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency;

PROVIDED, That in furtherance of this section, the Director of the Bureau of the Budget shall make no reports to the Congress in connection with the Agency under Section 607, Title VI, c. 212 of the Act of 30 June 1945, as amended, 5 U.S.C. 947(b);

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(g) Whenever the Director and the Attorney General shall determine that the entry of an alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, an appropriate consular officer shall issue to such alien and his immediate family non-quota immigration visas as provided for in the Act of May 26, 1924, 43 Stat. 153, as amended, but without regard to the inadmissibility of such aliens to the United States under the immigration laws, or to the failure of the application to comply with such laws; and upon issuance of visas under the provisions of this section, the aliens to whom issued will not be denied entry to the United States because of inadmissibility or ineligibility under any provisions of law governing entry of aliens into the United States; PROVIDED, That the number of visas issued to aliens and their immediate families under the authority of this Section shall in no case exceed one hundred in any one calendar year.

(h) The Director is authorized, without regard to the provisions of the Classification Act of 1923, as amended, to establish and fix the compensation for not more than three positions in the professional and scientific service, within the Agency, each such position being established to effectuate those scientific intelligence functions relating to national intelligence, which require the services of specially qualified scientific or

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professional personnel; PROVIDED, That the rates of compensation for positions established pursuant to the provisions of this Section shall not be less than \$10,330 per annum nor more than \$15,000 per annum.

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APPROPRIATIONS

SECTION 7. (a) Notwithstanding any other provisions of law, sums made available to the Agency by appropriation or otherwise may be expended for purposes necessary to carry out its functions, including:

(1) personal services, including personal services without regard to limitations on types of persons to be employed, and rent at the seat of government and elsewhere; penalty mail; health-service program as authorized by law (5 U.S.C. 150); rental of news-reporting services; purchase or rental and operation of photographic, reproduction, cryptographic, duplication and printing machines, equipment and devices, and radio-receiving and radio-sending equipment and devices, including telegraph and teletype equipment; purchase, maintenance, operation, repair, and hire of passenger motor vehicles (including purchase and replacement of one such vehicle at not to exceed \$3,000), and aircraft, and vessels of all kinds; subject to policies established by the Director, transportation of officers and employees of the Agency in Government-owned automotive equipment between their domiciles and places of employment, where such personnel are engaged in field work which makes such transportation necessary, and transportation in

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such equipment, to and from school, of children of Agency personnel who have quarters for themselves and their families at isolated stations where adequate public or private transportation is not available; printing and binding; purchase, maintenance, and cleaning of firearms, including purchase, storage, and maintenance of ammunition; subject to policies established by the Director, expenses of travel in connection with, and expenses incident to attendance at meetings of professional, technical, scientific, and other similar organizations when such attendance would be of benefit in the conduct of the work of the Agency; association and library dues; payment of premiums or costs of surety bonds for officers or employees without regard to the provisions of 61 Stat. 646, 6 U.S.C. 14; payment of claims pursuant to section 403 of the Federal Tort Claims Act of 1946 (60 Stat. 843; 28 U.S.C. 921); acquisition of necessary land and the clearing of such land; construction of buildings and facilities without regard to 36 Stat. 699, 40 U.S.C. 259, 267; repair, rental, operation, and maintenance of buildings, utilities, facilities, and appurtenances.

(2) supplies, equipment, and personal and contractual services otherwise authorized by law and regulations, when approved by the Director.

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(b) The sums made available to the Agency may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds; and for objects of a confidential, extraordinary or emergency nature, such expenditures to be accounted for solely on the certificate of the Director and every such certificate shall be deemed a sufficient voucher for the amount therein certified.

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SECTION 8. If any provision of this Act, or the application of such provision to any person or circumstances, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SECTION 9. This Act may be cited as "The Central Intelligence Agency Act of 1949".

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